



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**March 12, 2014**

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House File 2361

H-8108

1 Amend House File 2361 as follows:

2 1. Page 24, by striking lines 3 through 22 and  
3 inserting:

4 <Sec. \_\_\_\_\_. Section 321.187, Code 2014, is amended  
5 to read as follows:

6 **321.187 Examiners.**

7 1. The department shall examine applicants for  
8 driver's licenses. Examiners of the department shall  
9 wear an identifying badge and uniform provided by the  
10 department.

11 2. The department may by rule designate community  
12 colleges established under chapter 260C and other  
13 third-party testers to administer the driving skills  
14 test required for a commercial driver's license,  
15 provided that all of the following occur:

16 a. The driving skills test is the same as that  
17 which would otherwise be administered by the state.

18 b. The ~~examiner~~ third-party tester contractually  
19 agrees to comply with the requirements of 49 C.F.R.  
20 §383.75 as adopted by rule by the department.

21 c. Any third-party skills test examiner used by  
22 the third-party tester shall meet the requirements of  
23 49 C.F.R. §383.75 and 49 C.F.R. §384.228, as adopted  
24 by rule by the department. The department shall adopt  
25 rules requiring that a third-party tester, other than a  
26 community college established under chapter 260C, shall  
27 be an Iowa-based motor carrier or its subsidiary that  
28 has its principal office within this state and operates  
29 a permanent commercial driver training facility in this  
30 state. The rules may also provide that a third-party  
31 tester conduct a number of skills test examinations  
32 above the number required under 49 C.F.R. §383.75 in  
33 order to remain qualified as a third-party tester under  
34 this section.

35 3. As used in this section, "third-party tester" and  
36 "third-party skills test examiner" mean as defined in 49  
37 C.F.R. §383.5.>

38 2. By renumbering as necessary.

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STUTSMAN of Johnson

HF2361.3281 (1) 85

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Senate File 2212

H-8109

- 1 Amend Senate File 2212, as passed by the Senate, as
- 2 follows:
- 3 1. Page 1, after line 18 by inserting:
- 4 <Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. This Act,
- 5 being deemed of immediate importance, takes effect upon
- 6 enactment.>
- 7 2. Title page, line 1, after <waste> by inserting
- 8 <and including effective date provisions>
- 9 3. By renumbering as necessary.

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COMMITTEE ON ENVIRONMENTAL PROTECTION  
HEIN of Jones, Chairperson



Iowa General Assembly  
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Senate File 2259

H-8110

- 1 Amend Senate File 2259, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 1, line 10, after <form> by inserting <and  
4 that compromises the security, confidentiality, or  
5 integrity of the personal information>  
6 2. Page 4, line 30, by striking <three> and  
7 inserting <five>

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COMMITTEE ON PUBLIC SAFETY  
BAUDLER of Adair, Chairperson



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Senate File 2288

H-8111

1 Amend Senate File 2288, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 1, after line 22 by inserting:  
4 <Sec. \_\_\_\_\_. Section 321A.17, subsection 4, Code  
5 2014, is amended to read as follows:  
6 4. An individual applying for a driver's license  
7 following a period of suspension or revocation  
8 pursuant to a dispositional order issued under section  
9 232.52, subsection 2, paragraph "a", or under section  
10 321.180B, section 321.210, subsection 1, paragraph  
11 "a", subparagraph (4), or section 321.210A, 321.213A,  
12 321.213B, 321.216B, or 321.513, following a period  
13 of suspension or revocation under section 321.178 or  
14 321.194, or following a period of revocation pursuant  
15 to a court order issued under section 901.5, subsection  
16 10, or under section 321J.2A, is not required to  
17 maintain proof of financial responsibility under this  
18 section.>  
19 2. Page 1, after line 29 by inserting:  
20 <Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. This Act,  
21 being deemed of immediate importance, takes effect upon  
22 enactment.>  
23 3. Title page, line 1, by striking <period of>  
24 4. Title page, line 3, after <violations> by  
25 inserting <, and including effective date provisions>  
26 5. By renumbering as necessary.

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COMMITTEE ON TRANSPORTATION  
BYRNES of Mitchell, Chairperson

SF2288.3285 (2) 85

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House File 2385

H-8112

1 Amend the amendment, H-8102, to House File 2385 as  
2 follows:  
3 1. Page 1, by striking lines 2 through 31 and  
4 inserting:  
5 < \_\_\_\_\_. Page 1, by striking lines 1 through 11.  
6 \_\_\_\_\_. By striking page 3, line 14, through page 6,  
7 line 16.>

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PETTENGILL of Benton



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Senate File 2320

H-8113

- 1 Amend Senate File 2320, as passed by the Senate, as  
2 follows:  
3 1. Page 1, after line 29 by inserting:  
4 <b. That if the legal representative of a member  
5 also acts as a provider under a consumer-directed  
6 attendant care agreement or under a community choices  
7 option employment agreement, the agreement shall  
8 include all of the following reasonable safeguards:  
9 (1) That the payment rate for the legal  
10 representative acting as a provider is fair and  
11 reasonable based upon the skill level of the provider  
12 and may not exceed the median statewide reimbursement  
13 rate for the service unless the higher rate receives  
14 prior approval from the department.  
15 (2) That the legal representative acting as a  
16 provider is not paid for more than forty hours of  
17 service per week.  
18 (3) A contingency plan for provision of services  
19 provided by the legal representative acting as a  
20 provider in the event the legal representative is  
21 unable to provide the services due to illness or other  
22 unexpected event.>  
23 2. Page 1, line 30, by striking <b.> and inserting  
24 <c.>  
25 3. Page 2, by striking lines 1 through 10 and  
26 inserting:  
27 <2. The department of human services shall amend  
28 the medical assistance home and community-based  
29 services waivers to replace agency-provided  
30 consumer-directed attendant care services with personal  
31 care services.>  
32 4. By renumbering as necessary.

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COMMITTEE ON HUMAN RESOURCES  
L. MILLER of Scott, Chairperson

SF2320.3282 (4) 85

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Senate File 366

H-8114

1 Amend Senate File 366, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting clause  
4 and inserting:

5 <Section 1. DEPARTMENT OF EDUCATION — RADON  
6 NOTIFICATION AND TESTING — REPORT.

7 1. The department of education shall notify each  
8 school district and accredited nonpublic school in this  
9 state of the risks associated with radon gas and radon  
10 progeny at attendance centers. Such notification shall  
11 include information on radon testing and mitigation,  
12 including relevant statistical data, and shall  
13 encourage school districts and accredited nonpublic  
14 schools to implement a radon testing and mitigation  
15 plan.

16 2. Each school district and accredited nonpublic  
17 school in this state shall notify the department of  
18 education by December 1, 2014, indicating whether it  
19 has a radon testing and mitigation plan in place. Any  
20 school district or accredited nonpublic school that  
21 does not have a radon testing and mitigation plan in  
22 place as of December 1, 2014, shall also notify the  
23 department of any plans the district or school has to  
24 implement a radon testing and mitigation plan in the  
25 future.

26 3. The department of education shall submit a  
27 report to the general assembly by January 1, 2015, on  
28 the data collected pursuant to subsection 2.>

29 2. Title page, lines 1 and 2, by striking <and  
30 making penalties applicable> and inserting <in schools>

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COMMITTEE ON LOCAL GOVERNMENT  
SCHULTZ of Crawford, Chairperson

SF366.3241 (2) 85

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Senate File 2319

H-8115

- 1 Amend Senate File 2319, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 1, by striking lines 1 through 11.
- 4 2. Page 1, line 17, by striking <The> and inserting
- 5 <Subject to an appropriation of funds by the general
- 6 assembly, the>
- 7 3. Page 1, line 18, after <agencies> by inserting
- 8 <and the department>

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COMMITTEE ON EDUCATION  
JORGENSEN of Woodbury, Chairperson



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House File 2443 - Introduced

HOUSE FILE 2443  
BY COMMITTEE ON WAYS AND MEANS  
  
(SUCCESSOR TO HSB 670)

A BILL FOR

1 An Act relating to the sales tax exemption for the purchase  
2 of certain items used in certain manufacturing, research  
3 and development, data processing or storage, or recycling  
4 activities.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:



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H.F. 2443

1 Section 1. Section 423.3, subsection 47, paragraph a,  
2 unnumbered paragraph 1, Code 2014, is amended to read as  
3 follows:

4 The sales price from the sale or rental of computers,  
5 machinery, ~~and equipment, including replacement parts,~~  
6 supplies, and materials used to construct or self-construct  
7 computers, machinery, ~~and equipment, replacement parts, and~~  
8 supplies, if such items are any of the following:

9 Sec. 2. Section 423.3, subsection 47, paragraph d, Code  
10 2014, is amended by adding the following new subparagraphs:

11 NEW SUBPARAGRAPH. (7) "*Replacement part*" means tangible  
12 personal property other than computers, machinery, equipment,  
13 or supplies, regardless of the cost or useful life of the  
14 tangible personal property, that meets all of the following  
15 conditions:

16 (a) The tangible personal property replaces a component of  
17 a computer, machinery, or equipment, which component is capable  
18 of being separated from the computer, machinery, or equipment.

19 (b) The tangible personal property performs the same or  
20 similar function as the component it replaced.

21 (c) The tangible personal property restores the computer,  
22 machinery, or equipment to an operational condition, or  
23 upgrades or improves the efficiency of the computer, machinery,  
24 or equipment.

25 NEW SUBPARAGRAPH. (8) "*Supplies*" means tangible personal  
26 property, other than computers, machinery, equipment, or  
27 replacement parts, that meets one of the following conditions:

28 (a) The tangible personal property is to be connected  
29 to a computer, machinery, or equipment and requires regular  
30 replacement because the property is consumed or deteriorates  
31 during use, including but not limited to saw blades, drill  
32 bits, filters, and other similar items with a short useful  
33 life.

34 (b) The tangible personal property is used in conjunction  
35 with a computer, machinery, or equipment and is specially



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1 designed for use in manufacturing specific products and may  
2 be used interchangeably and intermittently on a particular  
3 computer, machine, or piece of equipment, including but not  
4 limited to jigs, dies, tools, and other similar items.

5 (c) The tangible personal property comes into physical  
6 contact with other tangible personal property used in  
7 processing and is used to assist with or maintain conditions  
8 necessary for processing, including but not limited to cutting  
9 fluids, oils, coolants, lubricants, and other similar items  
10 with a short useful life.

11 (d) The tangible personal property is directly and  
12 primarily used in an activity described in paragraph "a",  
13 subparagraphs (1) through (6), including but not limited to  
14 prototype materials and testing materials.

15 EXPLANATION

16 The inclusion of this explanation does not constitute agreement with  
17 the explanation's substance by the members of the general assembly.

18 This bill relates to the sales tax exemption in Code section  
19 423.3(47) for the purchase or rental of certain items used in  
20 manufacturing, research and development, data processing or  
21 storage, or recycling activities.

22 Under current law, the exemption includes replacement  
23 parts. The bill amends the exemption to include materials  
24 used to construct or self-construct replacement parts. The  
25 bill defines "replacement part" for purposes of the exemption  
26 to mean tangible personal property other than computers,  
27 machinery, equipment, or supplies, regardless of the cost or  
28 useful life of the property, that replaces a component of a  
29 computer, machinery, or equipment, performs the same or similar  
30 function as that component, and restores or improves the  
31 computer, machinery, or equipment.

32 The bill also amends the exemption to include supplies  
33 and materials used to construct or self-construct supplies.  
34 "Supplies" is defined in the bill as tangible personal property  
35 that is not a computer, machinery, equipment, or replacement

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1 part and that meets one of the following four conditions:

2 1. The tangible personal property is to be connected to  
3 a computer, machinery, or equipment and requires regular  
4 replacement because it is consumed or deteriorates during  
5 use. Examples of items that meet this requirement include saw  
6 blades, drill bits, filters, and other similar items with a  
7 short useful life.

8 2. The tangible personal property is used in conjunction  
9 with a computer, machinery, or equipment and is specially  
10 designed for use in manufacturing specific products and may  
11 be used interchangeably and intermittently on a particular  
12 computer, machine, or piece of equipment. Examples of items  
13 that meet this requirement include jigs, dies, tools, and other  
14 similar items.

15 3. The tangible personal property comes into physical  
16 contact with other tangible personal property used in  
17 processing and is used to assist with or maintain conditions  
18 necessary for processing. Examples of items that meet this  
19 requirement include cutting fluids, oils, coolants, lubricants,  
20 and other similar items with a short useful life.

21 4. The tangible property is directly and primarily used  
22 in an activity described in Code section 423.3(47)(a)(1)-(6).  
23 Examples of items that meet this requirement include prototype  
24 materials and testing materials.

25 By operation of Code section 423.6, an item exempt from the  
26 imposition of the sales tax is also exempt from the use tax  
27 imposed in Code section 423.5.



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House File 2444 - Introduced

HOUSE FILE 2444  
BY COMMITTEE ON WAYS AND MEANS  
  
(SUCCESSOR TO HSB 648)

A BILL FOR

1 An Act relating to the administration of the tax and related  
2 laws of the department of revenue, including powers and  
3 duties of the director and administration of the inheritance  
4 tax, motor fuel and special fuel taxes, and including  
5 retroactive applicability provisions.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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H.F. 2444

1 DIVISION I

2 POWER AND DUTIES OF THE DIRECTOR

3 Section 1. Section 421.17, Code 2014, is amended by adding  
4 the following new subsection:

5 NEW SUBSECTION. 33. At the director's discretion, to  
6 receive and retain in an electronic format any record,  
7 application, tax return, deposit, report, or any other  
8 information or document required to be submitted to the  
9 department.

10 DIVISION II

11 INHERITANCE TAX

12 Sec. 2. Section 450.94, subsection 2, Code 2014, is amended  
13 to read as follows:

14 2. Unless a return is not required to be filed pursuant to  
15 section 450.22, subsection 3, or section 450.53, subsection  
16 1, paragraph "b", the taxpayer shall file an inheritance tax  
17 return on forms to be prescribed by the director of revenue on  
18 or before the last day of the ninth month after the death of  
19 the decedent. When an inheritance tax return is filed, the  
20 department shall examine it and determine the correct amount of  
21 tax. If the amount paid is less than the correct amount due,  
22 the department shall notify the taxpayer of the total amount  
23 due together with any penalty and interest which shall be  
24 computed as a sum certain if paid on or before, with interest  
25 computed to the last day of the month in which the notice is  
26 ~~dated, or on or before the last day of the following month if~~  
27 ~~the notice is dated after the twentieth day of a month and~~  
28 ~~before the first day of the following month.~~

29 DIVISION III

30 MOTOR FUEL AND SPECIAL FUEL TAXES

31 Sec. 3. Section 452A.64, Code 2014, is amended to read as  
32 follows:

33 **452A.64 Failure to file return — incorrect return.**

34 If a return required by this chapter is not filed, or if a  
35 return when filed is incorrect or insufficient ~~and the filer~~

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1 ~~fails to file a corrected or sufficient return within twenty~~  
2 ~~days after the same is required by notice from the appropriate~~  
3 ~~state agency,~~ the appropriate state agency shall determine the  
4 amount of tax due. The determination shall be made from all  
5 information that the appropriate state agency may be able to  
6 obtain and, if necessary, the agency may estimate the tax on  
7 the basis of external indices. The appropriate state agency  
8 shall give notice of the determination to the person liable  
9 for the tax. The determination shall fix the tax unless the  
10 person against whom it is assessed shall, within sixty days  
11 after the giving of notice of the determination, apply to  
12 the director of the appropriate state agency for a hearing  
13 or unless the taxpayer contests the determination by paying  
14 the tax, interest, and penalty and timely filing a claim for  
15 refund. At the hearing, evidence may be offered to support  
16 the determination or to prove that it is incorrect. After the  
17 hearing, the director shall give notice of the decision to the  
18 person liable for the tax. The findings of the appropriate  
19 state agency as to the amount of fuel taxes, penalties, and  
20 interest due from any person shall be presumed to be the  
21 correct amount and in any litigation which may follow, the  
22 certificate of the agency shall be admitted in evidence, shall  
23 constitute a prima facie case and shall impose upon the other  
24 party the burden of showing any error in the findings and the  
25 extent thereof or that the finding was contrary to law.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with  
28 the explanation's substance by the members of the general assembly.

29 This bill relates to the administration of the tax and  
30 related laws by the department of revenue.

31 DIVISION I — POWERS AND DUTIES OF THE DIRECTOR. Division  
32 I amends the powers and duties of the director of revenue to  
33 allow the director, at the director's discretion, to receive  
34 and retain in an electronic format any record, application, tax  
35 return, deposit, report, or any other information or document

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1 required to be submitted to the department.

2 DIVISION II — INHERITANCE TAX. Division II relates to the  
3 inheritance tax. The division eliminates the requirement that  
4 notices of assessment issued after the twentieth day of a month  
5 include interest calculated for the next month.

6 DIVISION III — MOTOR FUEL AND SPECIAL FUEL TAXES. Division  
7 III relates to motor fuel and special fuel taxes. Current  
8 law requires that the department of revenue or the state  
9 department of transportation, as applicable, send a notice to  
10 filers of fuel tax returns if the return is either incorrect  
11 or insufficient, giving the taxpayer 20 days to file a  
12 corrected return. If a correct or sufficient return is not  
13 filed, the department of revenue or the state department of  
14 transportation, as applicable, is authorized to determine the  
15 amount of tax due and send a notice of assessment to the person  
16 liable for the tax. The division strikes the 20-day notice  
17 requirement.



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House File 2445 - Introduced

HOUSE FILE 2445  
BY COMMITTEE ON WAYS AND MEANS  
  
(SUCCESSOR TO HF 2352)  
(SUCCESSOR TO HSB 591)

A BILL FOR

1 An Act relating to the administration of certain economic  
2 development programs by the economic development authority  
3 and including effective date and retroactive applicability  
4 provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

INVESTMENT TAX CREDITS

Section 1. Section 15E.43, subsection 1, paragraph b, Code 2014, is amended to read as follows:

b. A tax credit shall be allowed only for an investment made in the form of cash to purchase equity in a qualifying business or in a community-based seed capital fund. A taxpayer that has received a tax credit for an investment in a community-based seed capital fund shall not claim the tax credit prior to the third tax year following the tax year in which the investment is made. Any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax liability for the following five years or until depleted, whichever is earlier. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer redeems the tax credit.

Sec. 2. Section 15E.44, subsection 1, Code 2014, is amended to read as follows:

1. In order for an equity investment to qualify for a tax credit, the business in which the equity investment is made shall, within one hundred twenty days of the date of the first investment, notify the authority of the names, addresses, shares issued, consideration paid for the shares, and the amount of any tax credits, of all shareholders who may initially qualify for the tax credits, ~~and the earliest year in which the tax credits may be redeemed.~~ The list of shareholders who may qualify for the tax credits shall be amended as new equity investments are sold or as any information on the list shall change.

Sec. 3. Section 15E.44, subsection 2, paragraph f, Code 2014, is amended to read as follows:

f. The business shall have secured, ~~within twenty-four months following the first date on which the equity investments qualifying for tax credits have been made,~~ total equity or financing, near equity financing, binding investment commitments, or some combination thereof, equal to at least two

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1 hundred fifty thousand dollars.

2 Sec. 4. Section 15E.45, subsection 3, paragraph a,  
3 subparagraph (3), Code 2014, is amended by striking the  
4 subparagraph and inserting in lieu thereof the following:

5 (3) Any other information required by the authority.

6 Sec. 5. Section 15E.45, subsection 6, Code 2014, is amended  
7 to read as follows:

8 6. In the event that a community-based seed capital  
9 fund fails to meet or maintain any requirement set forth in  
10 this section, or in the event that at least thirty-three  
11 percent of the invested capital of the community-based seed  
12 capital fund has not been invested in one or more separate  
13 qualifying businesses, measured at the end of the ~~forty-eighth~~  
14 thirty-sixth month after commencing the fund's investing  
15 activities, the authority shall rescind any tax credit  
16 certificates issued to limited partners or members and shall  
17 notify the department of revenue that it has done so, and the  
18 tax credit certificates shall be null and void. ~~However, a~~ A  
19 community-based seed capital fund may apply to the authority  
20 for a one-year waiver of the requirements of this subsection.  
21 Sec. 6. RETROACTIVE APPLICABILITY. This division of this  
22 Act applies retroactively to January 1, 2014, for tax years  
23 beginning and investments made on or after that date.

24 DIVISION II

25 TARGETED SMALL BUSINESS ASSISTANCE

26 Sec. 7. 2013 Iowa Acts, chapter 13, section 10, subsections  
27 1 and 2, are amended to read as follows:

28 1. Upon repeal of the targeted small business financial  
29 assistance program established in section 15.247, the authority  
30 shall transfer all unencumbered and unobligated moneys accruing  
31 to the authority pursuant to existing agreements to a fund  
32 established by the authority in the state treasury under  
33 the control of the authority pursuant to section 15.106A,  
34 subsection 1, paragraph "o", to be used for the purposes of  
35 providing assistance to targeted small businesses pursuant to

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1 ~~subsection~~ subsections 3 and 4 of this section of this Act.  
2 2. Loan payments or repayments and recaptures of principal,  
3 interest, or other moneys accruing to the authority on or after  
4 June 30, 2013, pursuant to an agreement under section 15.247,  
5 shall be transferred to a fund established by the authority in  
6 the state treasury under the control of the authority pursuant  
7 to section 15.106A, subsection 1, paragraph "o", to be used  
8 for the purposes of providing assistance to targeted small  
9 businesses pursuant to ~~subsection~~ subsections 3 and 4 of this  
10 section of this Act.

11 Sec. 8. 2013 Iowa Acts, chapter 13, section 10, subsection  
12 3, paragraph c, is amended to read as follows:

13 c. The authority shall, upon completion of the initial  
14 performance period and the other applicable terms of the  
15 agreement with the microloan service provider, submit a report  
16 to the general assembly and the governor's office describing  
17 the results achieved by the service provider and shall make  
18 recommendations as to whether the state should continue to  
19 provide funds for future fiscal years for the purpose of  
20 providing financial and technical assistance to targeted  
21 small businesses through the services of a microloan service  
22 provider. The report shall also include the results achieved  
23 by the program established to assist entities in developing a  
24 statewide initiative designed to increase the number of female  
25 entrepreneurs in the state pursuant to subsection 4.

26 Sec. 9. 2013 Iowa Acts, chapter 13, section 10, is amended  
27 by adding the following new subsection:

28 NEW SUBSECTION. 4. a. From the moneys transferred pursuant  
29 to subsections 1 and 2, the authority may use amounts not  
30 allocated for purposes of subsection 3 for purposes of this  
31 subsection.

32 b. The authority may establish a program to assist one  
33 or more private sector entities in implementing a multiyear  
34 statewide initiative designed to increase the number of female  
35 entrepreneurs in the state. Such an initiative shall target

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1 at least ten communities around the state, both urban and  
2 rural, for training and discussion on the personal, legal,  
3 and financial aspects of starting and operating a small  
4 business. The initiative shall also provide for individual  
5 mentoring, access to matched savings accounts intended to be  
6 used for the start or expansion of a small business by a female  
7 entrepreneur, and specialized topical workshops useful to  
8 female entrepreneurs.

9 c. A targeted small business owned, operated, and actively  
10 managed by one or more women that is receiving assistance under  
11 subsection 3 is also eligible to receive assistance under this  
12 subsection.

13 d. The program established pursuant to this subsection  
14 shall be implemented, to the extent practicable, in a manner  
15 that complements the program established pursuant to subsection  
16 3. Results achieved by the program established pursuant to  
17 this subsection shall be included in the report prepared  
18 pursuant to subsection 3.

19 Sec. 10. EFFECTIVE UPON ENACTMENT. This division of this  
20 Act, being deemed of immediate importance, takes effect upon  
21 enactment.

22 DIVISION III

23 STRATEGIC INFRASTRUCTURE PROGRAM

24 Sec. 11. Section 15.117A, subsection 6, Code 2014, is  
25 amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. Review and make recommendations on all  
27 applications received by the authority for financial assistance  
28 under the Iowa strategic infrastructure program pursuant to  
29 section 15.313.

30 Sec. 12. Section 15.311, Code 2014, is amended to read as  
31 follows:

32 15.311 Title.

33 This part shall be known as the "*Iowa Strategic Investment*  
34 *Fund*" *Infrastructure* program.

35 Sec. 13. Section 15.313, subsection 1, Code 2014, is amended

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1 to read as follows:

2 1. a. ~~An Iowa strategic investment fund is created~~ The  
3 authority shall establish a fund pursuant to section 15.106A,  
4 subsection 1, paragraph "o", for purposes of financing  
5 strategic infrastructure projects as described in this  
6 section. A fund established for purposes of this section may  
7 be administered as a revolving fund consisting and may consist  
8 of any money moneys appropriated by the general assembly for  
9 that purpose purposes of this section and any other moneys  
10 that are lawfully available to and obtained or accepted by  
11 the authority, from the federal government or private sources  
12 for placement in the fund including moneys transferred or  
13 deposited from other funds created pursuant to section 15.106A,  
14 subsection 1, paragraph "o".

15 b. Notwithstanding section 8.33, moneys in ~~the strategic~~  
16 ~~investment~~ a fund established for purposes of this section  
17 at the end of each fiscal year shall not revert to any other  
18 fund but shall remain in the strategic investment fund for  
19 expenditure for subsequent fiscal years.

20 c. Moneys in a fund established for purposes of this section  
21 may be transferred to other funds created pursuant to section  
22 15.106A, subsection 1, paragraph "o".

23 Sec. 14. Section 15.313, subsection 2, unnumbered paragraph  
24 1, Code 2014, is amended to read as follows:

25 ~~The assets of the fund program~~ shall be used by the authority  
26 to assist in provide financial assistance for strategic  
27 infrastructure projects that are intended to lead to relocation  
28 or expansion projects for existing businesses as well as  
29 entrepreneurial start-up and expansion projects financial  
30 assistance for new businesses. Moneys in the fund shall  
31 be used for projects designed to meet any of the following  
32 purposes:

33 Sec. 15. Section 15.313, subsection 2, paragraphs a, b, c,  
34 d, e, and f, Code 2014, are amended by striking the paragraphs.

35 Sec. 16. Section 15.313, Code 2014, is amended by adding the

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1 following new subsection:

2 NEW SUBSECTION. 2A. The Iowa innovation council shall  
3 review each application received by the economic development  
4 authority for financial assistance under the program and  
5 shall make recommendations to the board regarding all of the  
6 following:

7 a. The completeness of the application.

8 b. Whether the board should approve an application for  
9 financial assistance, and if so, the amount of such financial  
10 assistance.

11 Sec. 17. Section 15.313, subsection 3, Code 2014, is amended  
12 by striking the subsection and inserting in lieu thereof the  
13 following:

14 3. For purposes of this section, unless the context  
15 otherwise requires:

16 a. "*Financial assistance*" means the same as defined in  
17 section 15.102.

18 b. "*Strategic infrastructure*" means projects that develop  
19 commonly utilized assets that provide an advantage to one  
20 or more private sector entities or that create necessary  
21 physical infrastructure in the state, and such projects are  
22 not adequately provided by the public or private sectors.  
23 Such projects may include vertical improvement developments,  
24 facilities and equipment upgrades, or the redevelopment or  
25 repurposing of underutilized property or other assets, provided  
26 that each project is intended to attract additional public or  
27 private sector investment and result in broad-based prosperity  
28 in this state.

29 c. "*Vertical improvement*" means the same as defined in  
30 section 15J.2.

31 Sec. 18. Section 15.313, Code 2014, is amended by adding the  
32 following new subsection:

33 NEW SUBSECTION. 4. The authority shall adopt rules to  
34 implement and administer this section. In adopting such rules,  
35 the authority shall narrowly construe the provisions of this

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1 section.

2 Sec. 19. Section 15.335B, subsection 2, paragraph a, Code  
3 2014, is amended by adding the following new subparagraph:

4 NEW SUBPARAGRAPH. (7) For deposit in a fund created for  
5 purposes of the strategic infrastructure program established  
6 pursuant to section 15.313.

7 Sec. 20. Section 384.4, subsection 1, paragraph b, Code  
8 2014, is amended to read as follows:

9 *b.* Interest as it becomes due and the amount necessary  
10 to pay, or to create a sinking fund to pay, the principal at  
11 maturity of all general obligation bonds issued by the city or  
12 ~~to pay, or to create a sinking fund to pay, amounts as due on~~  
13 ~~loans received through the former Iowa community development~~  
14 ~~loan program pursuant to section 15E.120.~~

15 Sec. 21. 2011 Iowa Acts, chapter 133, section 13A, as  
16 enacted by 2013 Iowa Acts, chapter 142, section 7, is amended  
17 to read as follows:

18 SEC. 13A. TRANSITION UPON REPEAL.

19 1. Any moneys in the economic development fund created  
20 pursuant to section 15G.111, Code Supplement 2011, that  
21 remain unobligated on July 1, 2013, shall be transferred to  
22 the rebuild Iowa infrastructure fund. The authority shall  
23 provide notification to the department of management and to the  
24 legislative services agency at the time of the transfer.

25 2. Loan payments or repayments and recaptures of principal,  
26 interest, or other moneys accruing to the authority on or after  
27 July 1, 2013, pursuant to an agreement under chapter 15G,  
28 subchapter I, shall be transferred by the authority to a fund  
29 established by the authority in the state treasury pursuant to  
30 section 15.106A, subsection 1, paragraph "o".

31 3. The authority may use any moneys accruing pursuant to  
32 subsection 2 for purposes of section 15.313.

33 Sec. 22. REPEAL. Section 15E.120, Code 2014, is repealed.

34 Sec. 23. RETROACTIVE APPLICABILITY. The section of this  
35 division of this Act amending 2011 Iowa Acts, chapter 133,

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1 section 13A, as enacted by 2013 Iowa Acts, chapter 142, section  
2 7, applies retroactively to July 1, 2013.

3 DIVISION IV

4 ENDOW IOWA PROGRAM

5 Sec. 24. Section 15E.303, subsection 4, Code 2014, is  
6 amended to read as follows:

7 4. "*Endow Iowa qualified community foundation*" means a  
8 community foundation organized or operating in this state that  
9 ~~substantially complies with~~ attains the national standards  
10 established by the national council on foundations as  
11 determined by the authority in collaboration with the Iowa  
12 council of foundations.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with  
15 the explanation's substance by the members of the general assembly.

16 This bill relates to economic development programs by  
17 modifying the administration of investment tax credits for  
18 investments in community-based seed capital funds or qualifying  
19 businesses, targeted small business assistance, the strategic  
20 investment fund program, and the endow Iowa program, and  
21 properly related matters.

22 Division I of the bill eliminates the prohibition on a  
23 taxpayer claiming the investment tax credit for an equity  
24 investment in a qualifying business earlier than the third  
25 tax year following the tax year in which the investment was  
26 made. The bill eliminates the 24-month requirement for a  
27 qualifying business under the investment tax credits program  
28 to secure total equity or near equity financing and adds  
29 that a qualifying business may also use binding investment  
30 commitments, or a combination of the equity and investment  
31 commitments to demonstrate that it has met the requirement  
32 in current Code to secure at least \$250,000. The bill also  
33 changes the date by which a community-based seed capital fund  
34 must invest in a separate qualifying business from 48 months  
35 after commencing the fund's investing activities to 36 months

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1 after commencing the fund's investing activities.

2 Division I applies retroactively to January 1, 2014, for tax  
3 years beginning on or after that date and investments made on  
4 or after that date.

5 Division II of the bill allows moneys transferred from the  
6 targeted small business financial assistance program, which  
7 was repealed in the 2013 legislative session, that are not  
8 allocated for the procurement of a microloan service provider  
9 to assist targeted small businesses to be used to establish a  
10 program to assist one or more private entities in implementing  
11 an initiative to increase the number of female entrepreneurs in  
12 the state. A program created for this purpose must complement  
13 the current microloan service provider program which provides  
14 financial and technical assistance to targeted small businesses  
15 at a discounted rate. A targeted small business that is owned,  
16 operated, and managed by a woman and that is receiving the  
17 services of a microloan service provider may also receive  
18 assistance from the statewide initiative.

19 Division II takes effect upon enactment.

20 Division III of the bill makes changes to the strategic  
21 investment fund program. The bill changes the name of the  
22 program from the Iowa strategic investment fund program to the  
23 Iowa strategic infrastructure program, and allows the authority  
24 to establish a fund under its general authority for the purpose  
25 of financing strategic infrastructure projects.

26 Under current law, a strategic investment fund is created  
27 and the fund's assets are required to be used for relocation or  
28 expansion projects for existing businesses and entrepreneurial  
29 start-up and expansion projects that meet purposes specified in  
30 statute. The bill eliminates these provisions and requires the  
31 fund created by the authority to be used to provide financial  
32 assistance for relocation or expansion projects for existing  
33 businesses as well as financial assistance for new businesses.  
34 The bill also allows the moneys in the fund to be transferred  
35 to other funds created by the authority, and allows the fund

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1 to receive transfers from other funds, generally, and from  
2 a fund created under the high quality jobs program in Code  
3 section 15.335B, specifically. The bill provides definitions  
4 for "financial assistance", "strategic infrastructure", and  
5 "vertical improvement".

6 The bill requires the Iowa innovation council to review  
7 each application for financial assistance under the strategic  
8 infrastructure program and make a recommendation to the  
9 economic development authority board on whether the application  
10 is complete, whether the board should approve an application,  
11 and the amount of the financial assistance to be awarded, if  
12 any.

13 The bill repeals a provision relating to loan repayments  
14 under the former Iowa community development loan program that  
15 included a reference to the strategic investment fund.

16 The bill requires the authority to transfer loan payments  
17 or repayments and recaptures of principal, interest, or other  
18 moneys accruing to the authority as a result of an agreement  
19 made pursuant to Code chapter 15G, subchapter I, the grow  
20 Iowa financial assistance program, to a fund created by the  
21 authority. This provision of the bill applies retroactively to  
22 July 1, 2013. The bill allows the authority to use any moneys  
23 transferred pursuant to this provision of the bill for purposes  
24 of the strategic infrastructure program.

25 Division IV of the bill makes changes to the endow Iowa  
26 program. The bill requires an endow Iowa qualified community  
27 foundation to attain national standards established by the  
28 national council on foundations rather than substantially  
29 comply with those standards.



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House Study Bill 672 - Introduced

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON SANDS)

A BILL FOR

1 An Act relating to the possession, sale, transfer, purchase,  
2 and use of fireworks and providing penalties.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 100.1, Code 2014, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 8. To order the suspension of the use  
4 of consumer fireworks, display fireworks, or novelties, as  
5 described in section 727.2, if the fire marshal determines that  
6 the use of such devices would constitute a threat to public  
7 safety.

8 Sec. 2. Section 101A.1, subsection 3, Code 2014, is amended  
9 to read as follows:

10 3. *“Explosive”* means any chemical compound, mixture  
11 or device, the primary or common purpose of which is to  
12 function by explosion with substantially instantaneous  
13 release of gas and heat, unless such compound, mixture, or  
14 device is otherwise specifically classified by the United  
15 States department of transportation. The term *“explosive”*  
16 includes all materials which are classified as a class 1,  
17 division 1.1, 1.2, 1.3, or 1.4 explosive by the United States  
18 department of transportation, under 49 C.F.R. § 173.50, and  
19 all materials classified as explosive materials under 18  
20 U.S.C. § 841, and includes, but is not limited to, dynamite,  
21 black powder, pellet powders, initiating explosives, blasting  
22 caps, electric blasting caps, safety fuse, fuse lighters, fuse  
23 igniters, squibs, cordeau detonative fuse, instantaneous fuse,  
24 igniter cord, igniters, smokeless propellant, cartridges for  
25 propellant-actuated power devices, cartridges for industrial  
26 guns, and overpressure devices, but does not include ~~*“fireworks”*~~  
27 as *“consumer fireworks”, “display fireworks”, or “novelties”* as  
28 those terms are defined in section 727.2 or ammunition or small  
29 arms primers manufactured for use in shotguns, rifles, and  
30 pistols. Commercial explosives are those explosives which are  
31 intended to be used in commercial or industrial operations.

32 Sec. 3. Section 331.301, Code 2014, is amended by adding the  
33 following new subsection:

34 NEW SUBSECTION. 17. The board of supervisors may by  
35 resolution suspend the use of consumer fireworks, display

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1 fireworks, or novelties, as described in section 727.2, if the  
2 board determines that the use of such devices would constitute  
3 a threat to public safety.

4 Sec. 4. Section 331.304, subsection 9, Code 2014, is amended  
5 to read as follows:

6 9. The board, upon application, may grant permits for the  
7 ~~display~~ use of ~~display~~ fireworks as provided in section 727.2.

8 Sec. 5. Section 364.2, Code 2014, is amended by adding the  
9 following new subsection:

10 NEW SUBSECTION. 6. A city council may by resolution suspend  
11 the use of consumer fireworks, display fireworks, or novelties,  
12 as described in section 727.2, if the city council determines  
13 that the use of such devices would constitute a threat to  
14 public safety.

15 Sec. 6. Section 461A.42, subsection 2, Code 2014, is amended  
16 to read as follows:

17 2. The use of consumer fireworks, display fireworks, and  
18 novelties, as defined in section 727.2, in state parks and  
19 preserves is prohibited except as authorized by a permit issued  
20 by the department. The commission shall establish, by rule  
21 adopted pursuant to chapter 17A, a fireworks permit system  
22 which authorizes the issuance of a limited number of permits to  
23 qualified persons to use or display fireworks in selected state  
24 parks and preserves.

25 Sec. 7. Section 727.2, Code 2014, is amended to read as  
26 follows:

27 **727.2 Fireworks.**

28 1. For purposes of this section:

29 a. "Consumer fireworks" includes all consumer fireworks  
30 enumerated in chapter 3 of the American pyrotechnics  
31 association's standard 87-1, and that comply with the labeling  
32 regulations promulgated by the United States consumer product  
33 safety commission.

34 b. ~~The term "fireworks"~~ "Display fireworks" includes any  
35 explosive composition, or combination of explosive substances,

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1 or article prepared for the purpose of producing a visible  
2 or audible effect by combustion, explosion, deflagration,  
3 or detonation, and includes ~~blank cartridges, firecrackers,~~  
4 ~~torpedoes, skyrockets, roman candles, or other fireworks of~~  
5 ~~like construction and~~ fireworks containing any explosive or  
6 flammable compound, or other device containing any explosive  
7 substance. The term "~~fireworks~~" "Display fireworks" does not  
8 include ~~goldstar-producing sparklers on wires which contain~~  
9 ~~no magnesium or chlorate or perchlorate, flitter sparklers~~  
10 ~~in paper tubes that do not exceed one-eighth of an inch in~~  
11 ~~diameter, toy snakes which contain no mercury, or caps used~~  
12 ~~in cap pistols~~ novelties or consumer fireworks enumerated in  
13 chapter 3 of the American pyrotechnics association's standard  
14 87-1.

15 c. "Novelties" includes all novelties enumerated in chapter  
16 3 of the American pyrotechnics association's standard 87-1, and  
17 that comply with the labeling regulations promulgated by the  
18 United States consumer product safety commission.

19 2. A person, firm, partnership, or corporation who offers  
20 for sale, exposes for sale, sells at retail, or uses or  
21 explodes any display fireworks, commits a simple misdemeanor.  
22 ~~In addition to any other penalties, the punishment imposed~~  
23 ~~for a violation of this section shall include assessment~~  
24 ~~of, punishable by~~ a fine of not less than two hundred fifty  
25 dollars. However, the a city council ~~of a city~~ or a county  
26 board of supervisors may, upon application in writing, grant a  
27 permit for the display of display fireworks by municipalities,  
28 fair associations, amusement parks, and other organizations  
29 or groups of individuals approved by the city or the county  
30 board of supervisors when the display fireworks ~~display~~ will  
31 be handled by a competent operator, but no such permit shall  
32 be required for the display of display fireworks at the Iowa  
33 state fairgrounds by the Iowa state fair board, at incorporated  
34 county fairs, or at district fairs receiving state aid. Sales  
35 of display fireworks for such display may be made for that

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1 purpose only.

2 3. a. A person who uses or explodes display fireworks while  
3 the use of such devices is suspended by a resolution adopted  
4 by the county or city in which the firework is used commits a  
5 simple misdemeanor, punishable by a fine of not less than two  
6 hundred fifty dollars.

7 b. A person who uses or explodes display fireworks while the  
8 use of such devices is suspended by an order of the state fire  
9 marshal commits a simple misdemeanor, punishable by a fine of  
10 not less than two hundred fifty dollars.

11 4. a. A person who is at least eighteen years of age or  
12 a firm, partnership, or corporation may possess or transfer,  
13 offer for sale, expose for sale, or sell at retail to a person  
14 who is eighteen years of age or older novelties or consumer  
15 fireworks. A person who is eighteen years of age or older may  
16 use or explode novelties or consumer fireworks.

17 b. A person, firm, partnership, or corporation who transfers  
18 or sells novelties or consumer fireworks to a person who is  
19 less than eighteen years of age commits a simple misdemeanor,  
20 punishable by a fine of not less than two hundred fifty  
21 dollars. A person who is less than eighteen years of age who  
22 purchases, possesses, uses, or explodes novelties or consumer  
23 fireworks commits a simple misdemeanor, punishable by a fine of  
24 not less than two hundred fifty dollars.

25 c. (1) A person who uses or explodes novelties or consumer  
26 fireworks while the use of such devices is suspended by a  
27 resolution adopted by the county or city in which the firework  
28 is used commits a simple misdemeanor, punishable by a fine of  
29 not less than two hundred fifty dollars.

30 (2) A person who uses or explodes novelties or consumer  
31 fireworks while the use of such devices is suspended by an  
32 order of the state fire marshal commits a simple misdemeanor,  
33 punishable by a fine of not less than two hundred fifty  
34 dollars.

35 ~~3-~~ 5. a. This section does not prohibit the sale by a

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1 resident, dealer, manufacturer, or jobber of such fireworks as  
2 are not prohibited by this section, or the sale of any kind  
3 of fireworks if they are to be shipped out of the state, or  
4 the sale or use of blank cartridges for a show or the theater,  
5 or for signal purposes in athletic sports or by railroads  
6 or trucks, for signal purposes, or by a recognized military  
7 organization.

8     *b.* This section does not apply to any substance or  
9 composition prepared and sold for medicinal or fumigation  
10 purposes.

11 c. This section does not apply to goldstar-producing  
12 sparklers on wires which contain no magnesium or chlorate or  
13 perchlorate, flitter sparklers in paper tubes that do not  
14 exceed one-eighth of an inch in diameter, toy snakes which  
15 contain no mercury, or caps used in cap pistols.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with  
18 the explanation's substance by the members of the general assembly.

19 This bill provides for the legal sale and use of novelties  
20 and consumer fireworks within the state.

21 Current law provides that a person, firm, partnership, or  
22 corporation who offers for sale, exposes for sale, sells at  
23 retail, or uses or explodes any fireworks, commits a simple  
24 misdemeanor. Current law, however, also provides that a county  
25 board of supervisors or the department of natural resources may  
26 grant a permit for the display of fireworks if the fireworks  
27 display will be handled by a competent operator. Current  
28 law further provides that the term "fireworks" includes any  
29 explosive composition, or combination of explosive substances,  
30 or article prepared for the purpose of producing a visible  
31 or audible effect by combustion, explosion, deflagration,  
32 or detonation, including blank cartridges, firecrackers,  
33 torpedoes, skyrockets, roman candles, or other fireworks of  
34 like construction and fireworks containing any explosive or  
35 flammable compound, or other device containing any explosive

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1 substance with limited exceptions.

2 The bill maintains these restrictions for display fireworks  
3 and provides that the term "display fireworks" shall not  
4 include novelties or consumer fireworks. The bill provides  
5 that the terms "novelties" and "consumer fireworks" each  
6 respectively include all novelties or consumer fireworks  
7 enumerated in chapter 3 of the American pyrotechnics  
8 association's standard 87-1, which comply with the labeling  
9 regulations promulgated by the United States consumer product  
10 safety commission.

11 The bill provides that a person who is at least 18 years  
12 of age or a firm, partnership, or corporation may possess, or  
13 transfer, offer for sale, expose for sale, or sell at retail  
14 any novelties or consumer fireworks to any person who is at  
15 least 18 years of age. The bill provides that any person who  
16 is at least 18 years of age may use or explode novelties or  
17 consumer fireworks.

18 The bill provides that a person, firm, partnership, or  
19 corporation who transfers or sells novelties or any consumer  
20 firework to a person who is less than 18 years of age commits  
21 a simple misdemeanor. A person who is less than 18 years of  
22 age who purchases, possesses, uses, or explodes novelties or  
23 any consumer fireworks commits a simple misdemeanor. A simple  
24 misdemeanor is generally punishable by confinement for no more  
25 than 30 days or a fine of at least \$65 but not more than \$625 or  
26 by both, but the bill provides for a fine of at least \$250.

27 The bill provides that the state fire marshal may order  
28 the suspension of the use of consumer fireworks, display  
29 fireworks, or novelties if the fire marshal determines that  
30 the use of such devices would constitute a threat to public  
31 safety. The bill further provides that a county board of  
32 supervisors or city council may by ordinance suspend the use  
33 of consumer fireworks, display fireworks, or novelties if the  
34 board or council determines that the use of such devices would  
35 constitute a threat to public safety. The bill provides that a

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1 person who violates such an order or ordinance commits a simple  
2 misdemeanor, punishable by a fine of at least \$250.

3 The bill maintains current exemptions for goldstar-producing  
4 sparklers on wires which contain no magnesium or chlorate or  
5 perchlorate, flitter sparklers in paper tubes that do not  
6 exceed one-eighth of an inch in diameter, toy snakes which  
7 contain no mercury, and caps used in cap pistols.



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Senate File 2325

S-5058

1 Amend Senate File 2325 as follows:  
2 1. Page 24, after line 34 by inserting:  
3 <Sec. \_\_\_\_\_. NEW SECTION. 328.13 Commercial air  
4 service retention and expansion committee.  
5 A commercial air service retention and expansion  
6 committee is established within the aviation office of  
7 the department. The membership of the committee shall  
8 consist of the director or the director's designee;  
9 the managers of each airport in Iowa with commercial  
10 air service; two members of the senate, one appointed  
11 by the majority leader of the senate and one appointed  
12 by the minority leader of the senate; and two members  
13 of the house of representatives, one appointed by the  
14 speaker of the house and one appointed by the minority  
15 leader of the house. Legislative members are eligible  
16 for per diem and expenses as provided in section 2.10,  
17 for each day of service. The committee shall develop a  
18 plan for the retention and expansion of passenger air  
19 service in Iowa on or before December 31, 2014. The  
20 committee shall meet as the committee deems necessary  
21 to assess progress in implementing the plan and, if  
22 necessary, to update the plan.>  
23 2. By renumbering as necessary.

---

DARYL BEALL

---

AMANDA RAGAN

---

RITA HART

---

MARY JO WILHELM

---

DENNIS GUTH

---

WILLIAM A. DOTZLER, JR.

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BRIAN SCHOENJAHN

TIM L. KAPUCIAN

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MARK CHELGREN

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MICHAEL BREITBACH

DAVID JOHNSON

BILL DIX

RANDY FEENSTRA

RICK BERTRAND

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NANCY J. BOETTGER

PAM JOCHUM



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BRAD ZAUN



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House File 2194

S-5059

1 Amend House File 2194, as passed by the House, as  
2 follows:  
3 1. By striking everything after the enacting clause  
4 and inserting:  
5 <Section 1. Section 257.8, subsection 1, Code 2014,  
6 is amended to read as follows:  
7 1. *State percent of growth.* ~~The state percent of~~  
8 ~~growth for the budget year beginning July 1, 2012,~~  
9 ~~is two percent.~~ The state percent of growth for the  
10 budget year beginning July 1, 2013, is two percent.  
11 The state percent of growth for the budget year  
12 beginning July 1, 2014, is four percent. The state  
13 percent of growth for the budget year beginning July  
14 1, 2015, is six percent. The state percent of growth  
15 for each subsequent budget year shall be established  
16 by statute which shall be enacted within thirty days  
17 of the submission in the year preceding the base year  
18 of the governor's budget under section 8.21. The  
19 establishment of the state percent of growth for a  
20 budget year shall be the only subject matter of the  
21 bill which enacts the state percent of growth for a  
22 budget year.  
23 Sec. 2. CODE SECTION 257.8 — IMPLEMENTATION. The  
24 requirement of section 257.8, subsection 1, regarding  
25 the enactment of a bill establishing the state percent  
26 of growth within thirty days of the submission in the  
27 year preceding the base year of the governor's budget  
28 does not apply to this Act.  
29 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being  
30 deemed of immediate importance, takes effect upon  
31 enactment.>  
32 2. Title page, by striking lines 1 through 3 and  
33 inserting <An Act establishing the state percent of  
34 growth and including effective date provisions.>

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COMMITTEE ON EDUCATION  
HERMAN C. QUIRMBACH, CHAIRPERSON

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Senate File 2318

S-5060

- 1 Amend Senate File 2318 as follows:  
2 1. Page 1, line 11, by striking <individual> and  
3 inserting <school district or attendance center>  
4 2. Page 1, line 12, by striking <individual> and  
5 inserting <school district or attendance center>  
6 3. Page 2, by striking lines 3 through 8 and  
7 inserting <programming and training to improve school  
8 learning environments and school safety. The>  
9 4. Page 2, line 13, by striking <research-based>  
10 and inserting <research- and outcome-based>  
11 5. Page 2, line 16, after <agencies> by inserting  
12 <and other state and local agencies and organizations>  
13 6. Page 2, line 20, by striking <assistance> and  
14 inserting <or recommend technical assistance and  
15 training>  
16 7. Page 2, line 26, by striking <Compare and  
17 analyze> and inserting <Analyze>  
18 8. Page 3, by striking lines 27 and 28 and  
19 inserting:  
20 <\_. To utilize research- and outcome-based  
21 best practices in implementing antiharassment and  
22 antibullying efforts.>  
23 9. Page 3, line 32, by striking <research-based>  
24 and inserting <research- and outcome-based best  
25 practices to implement>  
26 10. Page 4, by striking line 6 and inserting:  
27 <\_. Qualified staff training to>  
28 11. Page 4, by striking line 8.  
29 12. Page 4, by striking lines 10 and 11 and  
30 inserting:  
31 <\_. School safety programs that incorporate  
32 research- and outcome-based best practices that are  
33 intended to address risk factors to reduce incidents of  
34 problem behaviors among students>  
35 13. Page 4, by striking lines 14 and 15 and  
36 inserting:  
37 <\_. Safety training and resources that enhance  
38 the overall safety of students and staff.>  
39 14. Page 4, by striking lines 18 through 22 and  
40 inserting:  
41 <\_. Applicants that utilize data to demonstrate  
42 need based on the number or severity of incidents of  
43 harassment or bullying the applicants have experienced  
44 or other data that indicate need.>  
45 15. Page 7, lines 23 and 24, by striking <law  
46 enforcement officials or other appropriate authorities>  
47 and inserting <appropriate community-based agencies>  
48 16. Page 7, line 30, by striking <2013> and  
49 inserting <2014>  
50 17. Page 7, line 31, by striking <2014> and

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1 inserting <2015>  
2 18. By striking page 7, line 34, through page 8,  
3 line 2, and inserting: <support and analysis for safe  
4 schools and for carrying out the duties of the office,  
5 including salaries, support, and maintenance:>  
6 19. Page 8, by striking line 4.  
7 20. Page 8, line 8, by striking <to> and inserting  
8 <for the establishment and administration of>  
9 21. Page 8, line 11, by striking <minimal> and  
10 inserting <no>  
11 22. Page 8, after line 16 by inserting:  
12 <Sec. \_\_\_\_\_. EMERGENCY RULEMAKING. The department  
13 of education may adopt emergency rules under section  
14 17A.4, subsection 3, and section 17A.5, subsection  
15 2, paragraph "b", to implement sections 256.100 and  
16 256.101, as enacted in this Act, and the rules shall  
17 be effective immediately upon filing unless a later  
18 date is specified in the rules. Any rules adopted in  
19 accordance with the provisions of this section shall  
20 also be published as a notice of intended action as  
21 provided in section 17A.4.>  
22 23. Page 8, by striking lines 22 and 23.  
23 24. By renumbering, redesignating, and correcting  
24 internal references as necessary.

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COMMITTEE ON APPROPRIATIONS  
ROBERT E. DVORSKY, CHAIRPERSON



Iowa General Assembly  
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**Senate File 2337 - Introduced**

SENATE FILE 2337  
BY COMMITTEE ON WAYS AND MEANS  
  
(SUCCESSOR TO SSB 3181)

**A BILL FOR**

1 An Act relating to the child and dependent care credit  
2 available against the individual income tax, and including  
3 retroactive applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5581SV (1) 85  
mm/sc



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1 Section 1. Section 422.12C, subsection 1, Code 2014, is  
2 amended to read as follows:  
3 1. a. The taxes imposed under this division, less the  
4 amounts of nonrefundable credits allowed under this division,  
5 shall be reduced by a child and dependent care credit equal to  
6 the following percentages of the federal child and dependent  
7 care credit provided in section 21 of the Internal Revenue  
8 Code, without regard to whether or not the federal credit was  
9 limited by the taxpayer's federal tax liability:  
10 ~~a.~~ (1) For a taxpayer with net income of less than ~~ten~~  
11 fourteen thousand nine hundred eighty dollars, ~~seventy-five~~  
12 ninety-three and seventy-five hundredths percent.  
13 ~~b.~~ (2) For a taxpayer with net income of ~~ten~~ fourteen  
14 thousand nine hundred eighty dollars or more but less than  
15 ~~twenty~~ twenty-nine thousand nine hundred sixty dollars,  
16 ~~sixty-five~~ eighty-one and twenty-five hundredths percent.  
17 ~~c.~~ (3) For a taxpayer with net income of ~~twenty~~ twenty-nine  
18 thousand nine hundred sixty dollars or more but less than  
19 ~~twenty-five~~ thirty-seven thousand four hundred fifty dollars,  
20 ~~fifty-five~~ sixty-eight and seventy-five hundredths percent.  
21 ~~d.~~ (4) For a taxpayer with net income of ~~twenty-five~~  
22 thirty-seven thousand four hundred fifty dollars or more but  
23 less than ~~thirty-five~~ fifty-two thousand four hundred thirty  
24 dollars, ~~fifty~~ sixty-two and five-tenths percent.  
25 ~~e.~~ (5) For a taxpayer with net income of ~~thirty-five~~  
26 fifty-two thousand four hundred thirty dollars or more but less  
27 than ~~forty~~ fifty-nine thousand nine hundred twenty dollars,  
28 ~~forty~~ fifty percent.  
29 ~~f.~~ (6) For a taxpayer with net income of ~~forty~~ fifty-nine  
30 thousand nine hundred twenty dollars or more but less than  
31 ~~forty-five~~ sixty-seven thousand four hundred ten dollars,  
32 ~~thirty~~ thirty-seven and five-tenths percent.  
33 ~~g.~~ (7) For a taxpayer with net income of ~~forty-five~~  
34 sixty-seven thousand four hundred ten dollars or more, zero  
35 percent.

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b. For the tax year beginning in the 2014 calendar year and for each subsequent tax year, the director shall multiply the dollar amounts set forth in paragraph "a" by the latest cumulative inflation factor, shall round off the resulting product to the nearest one dollar, and shall incorporate the result into the income tax forms and instructions for each tax year. For purposes of this paragraph, "cumulative inflation factor" means the product of the annual inflation factor for the 2014 calendar year and all annual inflation factors for subsequent calendar years as determined by section 422.4, subsection 1, paragraph "a". The cumulative inflation factor applies to all tax years beginning on or after January 1 of the calendar year for which the latest annual inflation factor has been determined. Notwithstanding any other provision to the contrary, the annual inflation factor for the 2014 calendar year is one hundred percent.

17       Sec. 2. RETROACTIVE APPLICABILITY. This Act applies  
18 retroactively to January 1, 2014, for tax years beginning on  
19 or after that date.

## EXPLANATION

21 The inclusion of this explanation does not constitute agreement with  
22 the explanation's substance by the members of the general assembly.

23 This bill relates to the Iowa child and dependent care tax  
24 credit available against the individual income tax. The Iowa  
25 child and dependent care tax credit is a refundable credit  
26 calculated as a percentage of the nonrefundable federal child  
27 and dependent care tax credit, depending on the Iowa net income  
28 of the taxpayer.

29 Iowa Admin. Code 701-42.15(1), which governs the computation  
30 of the Iowa credit, specifies that for taxpayers whose federal  
31 credit is limited to their federal tax liability, the Iowa  
32 credit shall be computed based on the lesser amount. In other  
33 words, the amount of the Iowa credit is limited to a percentage  
34 of the federal credit actually claimed against federal tax  
35 liability, not a percentage of the total federal credit the

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1 taxpayer was eligible to claim against federal tax liability.

2     The bill amends Code section 422.12C to provide that the  
3 Iowa credit will be calculated as a percentage of the federal  
4 credit, whether or not the federal credit was limited by the  
5 taxpayer's federal tax liability.

6     The bill also increases the net income amounts and credit  
7 percentages in each of the seven graduated brackets used to  
8 calculate the credit. The credit percentages in these seven  
9 brackets currently range from a high of 75 percent of the  
10 federal credit for taxpayers with net income of less than  
11 \$10,000, to a low of 30 percent of the federal credit for  
12 taxpayers with net income of \$40,000 or more but less than  
13 \$45,000. The credit is currently unavailable to taxpayers  
14 whose net income is \$45,000 or more. The bill increases these  
15 to a high of 93.75 percent of the federal credit for taxpayers  
16 with net income of less than \$14,980, and to a low of 37.50  
17 percent of the federal credit for taxpayers with net income  
18 of \$59,920 or more but less than \$67,410. The credit will be  
19 unavailable to taxpayers whose net income is \$67,410 or more.

20     The bill also adjusts the future amount of each of the  
21 net income amounts in the seven graduated credit brackets by  
22 indexing the dollar amounts to inflation.

23     The bill applies retroactively to January 1, 2014, for tax  
24 years beginning on or after that date.



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**Senate File 2338 - Introduced**

SENATE FILE 2338  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2308)  
(SUCCESSOR TO SF 2101)

**A BILL FOR**

1 An Act concerning the excise tax on compressed natural gas and  
2 liquefied natural gas used as special fuel.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 452A.2, Code 2014, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 20A. *a. "Gallon", with respect to*  
4 *compressed natural gas, means a gasoline gallon equivalent. A*  
5 *gasoline gallon equivalent of compressed natural gas is five*  
6 *and sixty-six hundredths pounds or one hundred twenty-six*  
7 *and sixty-seven hundredths cubic feet measured at a base*  
8 *temperature of 60 degrees Fahrenheit and a pressure of fourteen*  
9 *and seventy-three hundredths pounds per square inch absolute.*

10 *b. "Gallon", with respect to liquefied natural gas, means*  
11 *a diesel gallon equivalent. A diesel gallon equivalent of*  
12 *liquefied natural gas is six and six hundredths pounds.*

13 Sec. 2. Section 452A.2, subsections 24 and 25, Code 2014,  
14 are amended to read as follows:

15 24. *"Licensed compressed natural gas, liquefied natural*  
16 *gas, and liquefied petroleum gas dealer" means a person in the*  
17 *business of handling untaxed compressed natural gas, liquefied*  
18 *natural gas, or liquefied petroleum gas who delivers any part*  
19 *of the fuel into a fuel supply tank of any motor vehicle.*

20 25. *"Licensed compressed natural gas, liquefied natural gas,*  
21 *and liquefied petroleum gas user" means a person licensed by*  
22 *the department who dispenses compressed natural gas, liquefied*  
23 *natural gas, or liquefied petroleum gas, upon which the special*  
24 *fuel tax has not been previously paid, for highway use from*  
25 *fuel sources owned and controlled by the person into the fuel*  
26 *supply tank of a motor vehicle, or commercial vehicle owned or*  
27 *controlled by the person.*

28 Sec. 3. Section 452A.3, subsection 4, Code 2014, is amended  
29 to read as follows:

30 4. For compressed natural gas used as a special fuel, the  
31 ~~rate of tax that is equivalent to the motor fuel tax shall~~  
32 ~~be sixteen cents per hundred cubic feet adjusted to a base~~  
33 ~~temperature of sixty degrees Fahrenheit and a pressure of~~  
34 ~~fourteen and seventy-three hundredths pounds per square inch~~  
35 ~~absolute~~ is twenty-one cents per gallon.

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1 Sec. 4. Section 452A.3, Code 2014, is amended by adding the  
2 following new subsection:

3 NEW SUBSECTION. 4A. For liquefied natural gas used as a  
4 special fuel, the rate of tax is twenty-two and one-half cents  
5 per gallon.

6 Sec. 5. Section 452A.4, subsection 1, paragraph d, Code  
7 2014, is amended to read as follows:

8 *d.* A dealer's or user's license shall be required for  
9 each separate place of business or location where compressed  
10 natural gas, liquefied natural gas, or liquefied petroleum gas  
11 is delivered or placed into the fuel supply tank of a motor  
12 vehicle.

13 Sec. 6. Section 452A.8, subsection 2, paragraph e, Code  
14 2014, is amended to read as follows:

15 *e.* (1) For purposes of this paragraph "e", "dealer" or  
16 "user" means a licensed compressed natural gas, liquefied  
17 natural gas, and liquefied petroleum gas dealer or user and  
18 "fuel" means compressed natural gas, liquefied natural gas, or  
19 liquefied petroleum gas.

20 (2) The tax for compressed natural gas, liquefied natural  
21 gas, and liquefied petroleum gas delivered by a licensed  
22 ~~compressed natural gas or liquefied petroleum gas~~ dealer for  
23 use in this state shall attach at the time of the delivery and  
24 shall be collected by the dealer from the consumer and paid  
25 to the department as provided in this chapter. The tax, with  
26 respect to compressed natural gas, liquefied natural gas, and  
27 liquefied petroleum gas acquired by a consumer in any manner  
28 other than by delivery by a licensed ~~compressed natural gas~~  
29 ~~or liquefied petroleum gas~~ dealer into a fuel supply tank of  
30 a motor vehicle, attaches at the time of the use of the fuel  
31 and shall be paid over to the department by the consumer as  
32 provided in this chapter.

33 ~~(2)~~ (3) The department shall adopt rules governing the  
34 dispensing of compressed natural gas, liquefied natural gas,  
35 and liquefied petroleum gas by licensed dealers and licensed

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1 users. The director may require by rule that reports and  
2 returns be filed by electronic transmission. ~~For purposes~~  
3 ~~of this paragraph "e", "dealer" and "user" mean a licensed~~  
4 ~~compressed natural gas or liquefied petroleum gas dealer or~~  
5 ~~user and "fuel" means compressed natural gas or liquefied~~  
6 ~~petroleum gas.~~ The department shall require that all pumps  
7 located at dealer locations and user locations through which  
8 liquefied petroleum gas can be dispensed shall be metered,  
9 inspected, tested for accuracy, and sealed and licensed by  
10 the state department of agriculture and land stewardship, and  
11 that fuel delivered into the fuel supply tank of any motor  
12 vehicle shall be dispensed only through tested metered pumps  
13 and may be sold without temperature correction or corrected to  
14 a temperature of ~~sixty~~ 60 degrees. If the metered gallonage  
15 is to be temperature-corrected, only a temperature-compensated  
16 meter shall be used. Natural gas used as fuel shall be  
17 delivered into compressing equipment through sealed meters  
18 certified for accuracy by the department of agriculture and  
19 land stewardship.

20 ~~{3}~~ (4) (a) All gallonage which is not for highway use,  
21 dispensed through metered pumps as licensed under this section  
22 on which fuel tax is not collected, must be substantiated by  
23 exemption certificates as provided by the department or by  
24 valid exemption certificates provided by the dealers, signed by  
25 the purchaser, and retained by the dealer. A *"valid exemption*  
26 *certificate provided by a dealer"* is an exemption certificate  
27 which is in the form prescribed by the director to assist a  
28 dealer to properly account for fuel dispensed for which tax is  
29 not collected and which is complete and correct according to  
30 the requirements of the director.

31 (b) For the privilege of purchasing liquefied petroleum  
32 gas, dispensed through licensed metered pumps, on a basis  
33 exempt from the tax, the purchaser shall sign exemption  
34 certificates for the gallonage claimed which is not for highway  
35 use.



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1 (c) The department shall disallow all sales of gallonage  
2 which is not for highway use unless proof is established by the  
3 certificate. Exemption certificates shall be retained by the  
4 dealer for a period of three years.

5 ~~(4)~~ (5) (a) For the purpose of determining the amount  
6 of liability for fuel tax, each dealer and each user shall  
7 file with the department not later than the last day of the  
8 month following the month in which this division becomes  
9 effective and not later than the last day of each calendar  
10 month thereafter a monthly tax return certified under penalties  
11 for false certification. The return shall show, with reference  
12 to each location at which fuel is delivered or placed by the  
13 dealer or user into a fuel supply tank of any motor vehicle  
14 during the next preceding calendar month, information as  
15 required by the department.

16 (b) The amount of tax due shall be computed by multiplying  
17 the appropriate tax rate per gallon by the number of gallons  
18 of fuel delivered or placed by the dealer or user into supply  
19 tanks of motor vehicles.

20 (c) The return shall be accompanied by remittance in the  
21 amount of the tax due for the month in which the fuel was placed  
22 into the supply tanks of motor vehicles.

23 Sec. 7. Section 452A.60, unnumbered paragraph 1, Code 2014,  
24 is amended to read as follows:

25 The department of revenue or the state department of  
26 transportation shall prescribe and furnish all forms, as  
27 applicable, upon which reports, returns, and applications shall  
28 be made and claims for refund presented under this chapter  
29 and may prescribe forms of record to be kept by suppliers,  
30 restrictive suppliers, importers, exporters, blenders, common  
31 carriers, contract carriers, licensed compressed natural gas,  
32 liquefied natural gas, and liquefied petroleum gas dealers  
33 and users, terminal operators, nonterminal storage facility  
34 operations, and interstate commercial motor vehicle operators.

35 Sec. 8. Section 452A.62, subsection 1, paragraph a,

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1 subparagraph (2), Code 2014, is amended to read as follows:

2 (2) A licensed compressed natural gas, liquefied natural  
3 gas, or liquefied petroleum gas dealer, user, or person  
4 supplying compressed natural gas or liquefied petroleum gas to  
5 a licensed compressed natural gas, liquefied natural gas, or  
6 liquefied petroleum gas dealer or user.

7 Sec. 9. Section 452A.62, subsection 1, paragraph b, Code  
8 2014, is amended to read as follows:

9 b. To examine the records, books, papers, receipts, and  
10 invoices of any distributor, supplier, restrictive supplier,  
11 importer, blender, exporter, terminal operator, nonterminal  
12 storage facility, licensed compressed natural gas, liquefied  
13 natural gas, or liquefied petroleum gas dealer or user, or any  
14 other person who possesses fuel upon which the tax has not been  
15 paid to determine financial responsibility for the payment of  
16 the taxes imposed by this chapter.

17 Sec. 10. Section 452A.74, subsection 1, paragraphs e and g,  
18 Code 2014, are amended to read as follows:

19 e. For any person to act as a supplier, restrictive  
20 supplier, importer, exporter, blender, or compressed natural  
21 gas, liquefied natural gas, or liquefied petroleum gas dealer  
22 or user without the required license.

23 g. For any licensed compressed natural gas, liquefied  
24 natural gas, or liquefied petroleum gas dealer or user to  
25 dispense compressed natural gas, liquefied natural gas, or  
26 liquefied petroleum gas into the fuel supply tank of any motor  
27 vehicle without collecting the fuel tax.

28 Sec. 11. Section 452A.74, subsection 2, Code 2014, is  
29 amended to read as follows:

30 2. Any delivery of compressed natural gas, liquefied  
31 natural gas, or liquefied petroleum gas to a compressed natural  
32 gas, liquefied natural gas, or liquefied petroleum gas dealer  
33 or user for the purpose of evading the state tax on compressed  
34 natural gas, liquefied natural gas, or liquefied petroleum  
35 gas, into facilities other than those licensed above knowing

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1 that the fuel will be used for highway use shall constitute  
2 a violation of this section. Any compressed natural gas,  
3 liquefied natural gas, or liquefied petroleum gas dealer or  
4 user for purposes of evading the state tax on compressed  
5 natural gas, liquefied natural gas, or liquefied petroleum  
6 gas, who allows a distributor to place compressed natural gas,  
7 liquefied natural gas, or liquefied petroleum gas for highway  
8 use in facilities other than those licensed above, shall also  
9 be deemed in violation of this section.

10 Sec. 12. Section 452A.85, subsection 1, Code 2014, is  
11 amended to read as follows:

12 1. Persons having title to motor fuel, ethanol blended  
13 gasoline, undyed special fuel, compressed natural gas,  
14 liquefied natural gas, or liquefied petroleum gas in storage  
15 and held for sale on the effective date of an increase in  
16 the excise tax rate imposed on motor fuel, ethanol blended  
17 gasoline, undyed special fuel, compressed natural gas,  
18 liquefied natural gas, or liquefied petroleum gas under this  
19 chapter shall be subject to an inventory tax based upon the  
20 gallonage in storage as of the close of the business day  
21 preceding the effective date of the increased excise tax rate  
22 of motor fuel, ethanol blended gasoline, undyed special fuel,  
23 compressed natural gas, liquefied natural gas, or liquefied  
24 petroleum gas which will be subject to the increased excise tax  
25 rate.

26 Sec. 13. Section 452A.86, Code 2014, is amended to read as  
27 follows:

28 **452A.86 Method of determining gallonage.**

29 The exclusive method of determining gallonage of any  
30 purchases or sales of motor fuel, undyed special fuel,  
31 ~~compressed natural gas~~, or liquefied petroleum gas as defined  
32 in this chapter and distillate fuels shall be on a gross volume  
33 basis, except for compressed natural gas and liquefied natural  
34 gas. The exclusive method of determining gallonage of any  
35 purchases or sales of compressed natural gas is the gasoline

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1 gallon equivalent, as defined in section 452A.2, subsection  
2 20A. The exclusive method of determining gallonage of any  
3 purchase or sale of liquefied natural gas is the diesel gallon  
4 equivalent, as defined in section 452A.2, subsection 20A.  
5 A temperature-adjusted or other method shall not be used,  
6 except as it applies to liquefied petroleum gas and the sale  
7 or exchange of petroleum products between petroleum refiners.  
8 All invoices, bills of lading, or other records of sale or  
9 purchase and all returns or records required to be made, kept,  
10 and maintained by a supplier, restrictive supplier, importer,  
11 exporter, blender, or compressed natural gas, liquefied natural  
12 gas, or liquefied petroleum gas dealer or user shall be made,  
13 kept, and maintained on the gross volume basis. For purposes  
14 of this section, "*distillate fuels*" means any fuel oil, gas oil,  
15 topped crude oil, or other petroleum oils derived by refining  
16 or processing crude oil or unfinished oils which have a boiling  
17 range at atmospheric pressure which falls completely or in part  
18 between ~~five hundred fifty~~ 550 and ~~twelve hundred~~ 1,200 degrees  
19 Fahrenheit.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with  
22 the explanation's substance by the members of the general assembly.

23 This bill revises the method of calculating the excise tax  
24 on compressed natural gas (CNG) used as a special fuel and  
25 establishes an excise tax on liquefied natural gas (LNG) used  
26 as a special fuel.

27 For CNG, the rate of tax is 21 cents per gallon. The bill  
28 provides that the term "gallon", with respect to CNG, means a  
29 gasoline gallon equivalent, which is 5.66 hundredths pounds or  
30 126.67 cubic feet measured at a base temperature of 60 degrees  
31 Fahrenheit and a pressure of 14.73 pounds per square inch  
32 absolute. (Under current law, the rate of the tax is based on  
33 cubic feet rather than pounds: 16 cents per 100 cubic feet  
34 adjusted to a base temperature of 60 degrees Fahrenheit and a  
35 pressure of 14.73 pounds per square inch absolute.) The bill

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1 provides that the exclusive method of determining gallonage of  
2 any purchase or sales of CNG is the gasoline gallon equivalent.  
3 For LNG, the rate of tax is 22.5 cents per gallon, and the  
4 term "gallon", with respect to LNG, means a diesel gallon  
5 equivalent, which is 6.06 pounds of LNG. The bill provides  
6 that the exclusive method of determining gallonage of any  
7 purchase or sales of LNG is the diesel gallon equivalent.  
8 The bill makes conforming changes to various Code sections  
9 to include LNG in current provisions relating to the collection  
10 of the excise tax on special fuel.